



PHILIP D. MURPHY
GOVERNOR

State of New Jersey
CAPITAL CITY REDEVELOPMENT CORPORATION

SHEILA OLIVER
LT. GOVERNOR

**CAPITAL CITY REDEVELOPMENT CORPORATION
BOARD OF DIRECTORS
ANNUAL MEETING
36 WEST STATE STREET
BOARD ROOM
February 26, 2019 @ 10AM**

- A. READING OF THE PUBLIC MEETING NOTICE**
Robert Tighue, Secretary/Treasurer
- B. ROLL CALL**
Robert Tighue, Secretary/Treasurer
- C. APPROVAL OF MINUTES FROM THE BOARD OF DIRECTORS MEETING OF
December 19, 2018* (Chairman Inverso)**
- D. ANNUAL MEETING***
 - Calendar of Meetings
 - Annual Report
 - Election of Officers
 - Committee Assignments
- E. PRESENTATION OF FINANCIAL REPORT (Nickie Papadopoulos, Department of Treasury)**
- F. PRESENTATION OF INDEPENDENT AUDITORS REPORT* (Robert Prunetti, Audit Chair)**
- G. CITY OF TRENTON UPDATE**
- H. UPDATE ON GREATER TRENTON PARKING FEASIBILITY STUDY (George Sowa, Greater Trenton)**
- I. STAFF (EDA) UPDATE:**
Update on CCRC RFP (Danielle Esser)
- J. CHAIRMAN'S UPDATE:**
Board Vacancies (Chairman Inverso)
- K. OLD BUSINESS**
- L. PUBLIC COMMENT**
- M. ADJOURNMENT**

Note: Items with an asterisk () require action by the CCRC Board of Directors.*



**CAPITAL CITY REDEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING**

**NJEDA OFFICES
36 WEST STATE STREET
BOARD ROOM**

December 19, 2018 @ 10 AM

MINUTES

Members of the Board Present:

Peter Inverso, Chair
Robert Prunetti, Vice Chair
Robert Tighue, Secretary/Treasurer
Gina Fischetti, representing DCA Commissioner Sheila Oliver
Susan Weber, representing DOT Commissioner Diane Gutierrez-Scaccetti
The Honorable Reed Gusciora, Mayor
Christopher Brashier

Members of the Board Not Present:

The Honorable Manuel Sequera

Staff Members Present:

Danielle Esser, Deputy Chief of Staff, EDA
Christina Fuentes, Assistant Secretary, CCRC; EDA
Patience Purdy, Assistant Secretary, CCRC; EDA
Muneerah Sanders, Executive Assistant, EDA

Others Present:

Adam Sternbach, Governor's Authorities Unit
George Loeser, Counsel
Tom Solecki, Treasury
Nickie Papadopoulos, Treasury

CALL TO ORDER:

Chairman Peter Inverso called the meeting to order at 10am with a quorum of the Board present. Mr. Tighue read the Open Public Meetings announcement and performed the roll call of the Board.

MEETING MINUTES:

The Board was presented with minutes from the Board of Directors' October 29, 2018 meeting. **Chairman Inverso asked for a vote on the motion to approve the October 29, 2018 minutes. The motion was approved by the Board in an unanimous vote.**

CAPITAL CITY REDEVELOPMENT CORPORATION RENAISSANCE PLAN DISCUSSION

Chairman Inverso stated that the Department of Community Affairs did a good job reviewing the statements for the State Office Building projects. He asked the Members to review the draft Scope of RFP and decide if review by the DCA was appropriate.

Ms. Esser stated the draft Scope of the RFP contained elements to be included in the Renaissance Plan and that a matrix would be created to review inconsistencies of the plan. She added that the RFP was expected to go out in approximately 12 weeks, and that a special meeting could be held, if necessary.

Mayor Gusciora stated the Renaissance Plan should also include a list of vacant properties, parking, and the State office building relocations. Mr. Prunetti stated the relocations was a major point, and perhaps it should be put in a statement upfront or added as a separate point. Ms. Esser stated that we'll take a look and make sure these conditions are added to the document.

EXECUTIVE ORDER 40 UPDATE

Ms. Maureen Hassett, Department of Treasury, stated that Governor Murphy signed Executive Order 40 creating the New Jersey State Capital Partnership. The partnership consists of Treasury, DCA, DEP, DOT, NJ Transit, the EDA, Law & Public Safety, and other state agencies, and will work with the offices of the Mayor and the Mercer County Executive to develop strategies to spur economic development in the City of Trenton.

Ms. Hassett stated that Capital City Community Coalition meetings are held every Thursday at Friendship Baptist church in Trenton. She stated that the coalition consists of a diverse group including faith based leaders, first responders, education representatives, and community organizers. The coalition keeps abreast of issues occurring in the City, as well as the Trenton middle schools and higher, with the goal of working towards a safer community for those who live and work in the greater Trenton area.

Ms. Hassett introduced Ms. JoAnn Povich, Treasury, also spoke on Executive Order 40. Ms. Povich stated that Governor Murphy felt that the State Office buildings project was a missed opportunity, but that the EDA was given a very narrow scope and little could be done based on the project.

Mayor Gusciora stated that it would be helpful to have the designs of the State Office Buildings. Mr. Brashier agreed that it would be helpful if they were circulated to the board.

CITY OF TRENTON UPDATE:

Mr. Jeff Wilkerson, Planning Director, City of Trenton, provided several updates to the board, including that developer Barry Zane was interested in the site at East State Street and Whitehead Road; Ajax Management has taken over the block of East State, Montgomery, East Hanover and Stockton streets. There are plans to knock down the old bank building, and the law firm and to put a café on East Hanover facing the Gandhi Garden, as well as other development on the block.

Mr. Wilkerson stated the Cure Insurance company wants to move its headquarters to Trenton, possibly the Van Sciver building, and that the COO of Cure is interested in the old Settimo Cielo restaurant on Front Street. He stated that the Smokehouse restaurant on Front Street wants to add a three season patio and make improvements to the kitchen.

Mr. Wilkerson added that there have been discussion around the sale of the Wyndham Garden hotel, but that the owner is holding out. There have also been discussions of possibly placing residents on the top two floors, and possibly utilizing some space for workforce training.

Mayor Gusciora stated that developer Roland Potts was looking to redevelop the site of the old cleaners on South Warren Street. He added that the Roebling Lofts are 70 percent occupied and that the second block was being looked at for development.

FINANCIAL REPORT:

Ms. Nickie Papadopoulos, Department of Treasury, stated that there was a balance of \$179,098 in the CCRC bank account.

SMALL BUSINESS SERVICES UPDATE:

Mr. Kenneth Hart, Business Development Officer, provided the board with an overview of services provided by the Small Business Services division of the EDA. He stated that in addition to the Business Improvements and Lease Incentives program, they many tools to assist businesses, including the Small Business Fund for small, minority-owned or women-owned businesses that may not have the ability to get bank financing; the Access Program which provides financing to small businesses thru direct loans, or in conjunction with one of the EDA's Premier Lenders, as well as other programs.

He also stated noted that the EDA has partnered with the African American Chamber of Commerce to offer the Small Business Bonding Readiness program. The program prepares small and minority owned businesses to compete in the construction industry and bid on state contracts.

SPECIAL STATE OFFICERS' ETHICS TRAINING:

Chairman Inverso reminded Members who had not completed the mandatory Special State Officers Ethics Training on December 11, 2018, that they would need to complete the online training as soon as possible.

PUBLIC COMMENT:

There were no additional public comments.

There being no further business a motion to adjourn the meeting was approved by a unanimous vote.

NEXT MEETING DATE:

The next meeting date for the Capital City Redevelopment Corporation is scheduled for Wednesday, February 20, 2019, at 10am. The meeting location will be 36 West State Street, Trenton, NJ 08625.

CERTIFICATION:

The foregoing and attachments represent a true and complete summary of the actions taken by the Capital City Redevelopment Corporation Board of Directors at its Meeting on December 19, 2018.

A handwritten signature in black ink, appearing to read 'RT', with a long horizontal line extending to the right.

Robert Tighue, Secretary/Treasurer



PHIL MURPHY
GOVERNOR

State of New Jersey
CAPITAL CITY REDEVELOPMENT CORPORATION

SHEILA OLIVER
LT. GOVERNOR

CAPITAL CITY REDEVELOPMENT CORPORATION BOARD OF DIRECTORS

2019 BOARD MEETING DATES

**NJEDA BOARDROOM
36 WEST STATE STREET
Trenton, New Jersey**

Tuesday, April 16, 2019

Tuesday, June 18, 2019

Tuesday, August 20 2019

Tuesday, October 29 2019 *

Tuesday, December 17, 2019

Tuesday, February 18, 2020 (Annual Meeting)

MEETINGS ARE SCHEDULED BI-MONTHLY AT 10AM ON THE THIRD
TUESDAY OF THE MONTH, UNLESS OTHERWISE NOTED.

This date falls on the *5th Tuesday

SCHEDULE IS SUBJECT TO CHANGE.

CAPITAL CITY REDEVELOPMENT CORPORATION 2018 ANNUAL REPORT

As Required Pursuant to N.J.S.A. 52:9Q-26

BACKGROUND

The Capital City Redevelopment Corporation (CCRC) was created in 1988 pursuant to N.J.S.A. 52:9A-9 et seq. (the “CCRC Act”). The CCRC is an independent authority of the State. Its mission is to ensure the capital district is a great place to live, work and conduct business by assisting with the planning, coordination and promotion of public and private development within the capital district, which consists of those portions of the City of Trenton that serve as the commercial center of the community and in which public buildings and historic sites are located.

ACTIVITY REPORT

In July 2014, the CCRC entered into a Memorandum of Understanding with the New Jersey Economic Development Authority (EDA) to assist the CCRC in fulfilling its mission pursuant to the CCRC Act, by providing office staff and support services to the CCRC, including, but not limited to: assisting in the carrying out of the policies and directions of the CCRC, providing administrative and support services regarding corporate governance and public information support services for board meetings, act as a liaison with the Governor’s office and Authorities Unit, records custodian and assistance with the Open Public Records Act requests and guidance on ethics matters, media outreach and legislative support.

The following activity took place in 2018:

Financial Review

In October 2018, the CCRC was presented with an FY19 budget for total expenditures in FY19 of \$12,200. The total amount of resources available as of September 30, 2018 was \$179,803.

See Attachment A for the itemized budget.

Collaborative Efforts

In an effort to advance economic development throughout the City of Trenton, especially the downtown, and to advance the EDA resources available to the City of Trenton, through both the Business Lease Incentive and Business Improvement Incentive programs, as well as other products available to the business community, EDA staff regularly work with city officials, business owners and state agencies throughout the City as staff to the CCRC

CCRC has been well-represented in intergovernmental meetings. On behalf of the CCRC, EDA participated in several citywide meetings including the Mayor's Economic Advisory Council, as well as the new NJ State Capital Partnership for Trenton created by Executive Order 40 by Governor Murphy. Throughout these meetings are on-going discussion on strategies, resources and goal-setting to achieve priorities for economic development and growth moving forward. The chair of CCRC also serves as a member of the Mayor's Economic Advisory Council.

EDA regularly meets with Greater Trenton to discuss their vision for downtown and has supported the organization with two planning grants to help advance projects in Trenton which coincide with the CCRC boundary.

In coordination with Greater Trenton and the New Jersey Department of Community Affairs, EDA awarded a \$25,000 grant to Greater Trenton to support evaluation and analysis of transit-oriented development proximate to the train station. In October of 2018, with guidance and direction by Greater Trenton, NJ Future issued a report developed in collaboration with the planning and architecture firm of Clarke Caton Hintz, funded using the EDA grant, entitled “Trenton Transit Center Strategic Action Blueprint” which provides observations, goals, strategies, and action steps for redevelopment around the Trenton Transit Center. The recommendations of this plan are currently under review by the City.

In concert with this initiative, the NJ Department of Community Affairs (NJDCA), in collaboration with the City of Trenton, is also preparing a report addressing transit-oriented development around three transit station areas in Trenton, addressing a broader array of issues. NJDCA anticipates its report on transit-oriented development around the Trenton Transit Center and proximate light rail stations will be completed in 2019, and ultimately it will be adopted by the City as part of the Trenton 250 Master Plan. The plan will recommend specific actions to implement the Trenton 250 Plan with regard to transit-oriented development within ½ mile of each transit station, including the Trenton Transit Center and three light rail stations.

In addition, a comprehensive planning and feasibility study for a parking structure on property owned by the State in downtown Trenton in close proximity to the Taxation Building was undertaken. Greater Trenton issued a Request for Proposals and awarded a \$50,000 contract to Tim Haahs Associates, of which EDA contributed \$25,000 and PSE&G contributed the other \$25,000, to fund the planning and feasibility study. The aim of the study is to provide potential construction and financing scenarios for a garage that would provide replacement parking for state employees caused by new office building and mixed-use redevelopment. The analysis provided in this report will inform future decision-making regarding a new parking structure in this area.

In September 2018, Governor Murphy signed Executive Order 40 which established the New Jersey State Capital City Partnership designed to provide a mechanism for State agencies to work collaboratively with the City and Mercer County government to create and execute strategies for City of Trenton's economic development. The work of the Capital City Partnership and the work of the CCRC dovetail together well and provide multiple vehicles to engage state agencies and address issues of importance for the City. The Capital City Partnership Team was designed with the intent bringing state resources together to help better assist the City of Trenton. EDA staff actively participates in these meetings and committees to help further economic development opportunities for the City.

Additionally, in October 2018, the CCRC Board directed staff to prepare and issue an RFP to update the CCRC's Renaissance Plan and design guidelines in coordination with the City of Trenton's recent update to its Master Plan, known as Trenton 250, as well as other relevant plans for areas within the CCRC Boundary. The RFP will be issued in early 2019, and the contract is anticipated to be awarded by mid-2019.

Real Estate Development

State Office Buildings

Development of the new Health and Taxation State Office Buildings are progressing forward. In February 2018, NJEDA submitted Impact Statements for the Health and Taxation Buildings, which the NJ Department of Community Affairs reviewed on behalf of CCRC. CCRC reviewed the Impact Statements and submitted comments to the Treasurer and the Governor.

The CCRC's planned update of the Renaissance Plan provides a unique opportunity to consider and evaluate future development and redevelopment of state-owned property in the context of both the CCRC's plan as well as the Trenton 250 Master Plan and relevant associated neighborhood plans.

Trenton Redevelopment Sites Working Group

With a commitment to advancing public/private partnerships and mixed-use development to spur transformative change in the downtown, the EDA spearheaded the development of a Memorandum of Understanding with key Trenton stakeholders to identify future development sites for public or private use. Executed in 2017, the MOU involves the Division of Property Management and Construction (DPMC), CCRC, the City of Trenton, the Trenton Parking Authority, Mercer County, the Mercer County Improvement Authority, and Greater Trenton, resulted in the creation of a comprehensive inventory of available redevelopment sites in the Capital City to help accelerate redevelopment and attract private investment.

To support this initiative, the EDA secured the services of Jones Lang LaSalle (JLL) to organize the catalog of developable sites. JLL held various stakeholder meetings and created a final deliverable product for Greater Trenton and the city to utilize when discussing potential sites for either a company that is looking to relocate or expand in Trenton or a potential developer.

CCRC board members participated in the Trenton Redevelopment Sites working group, which consisted of City of Trenton, the City of Trenton Parking Authority, Division of Property Management of Construction within Treasury, Mercer County Improvement Authority, and Mercer County. The goal of the group was to identify up to 15 sites for redevelopment within the City's downtown area, which includes the CCRC District. The catalog of developable sites the was created provides an important baseline to use in evaluating future development opportunities throughout the City.

Business Growth & Redevelopment

Since 2014, over \$141 million has been approved by the EDA in financing assistance, business incentives and tax credits to projects in the City of Trenton. This assistance is expected to leverage more than \$146 million in private investment and to serve as a catalyst for the creation of 557 new jobs, 554 construction jobs, and the retention of 542 jobs at risk of leaving New Jersey.

As a designated Garden State Growth Zone through the Economic Opportunity Act, the City of Trenton is eligible for funding through the Business Lease Incentive (BLI) and Business Improvement Incentive (BII) programs administered by the EDA. To date, Trenton has received four business grants under both the Business Improvement Incentive and Business Lease Incentive programs that total to \$58,056 in assistance.

STRATEGIC PLAN

Under the direction of the Board, EDA staff has continued to work with the City of Trenton to understand and support the strategic priorities and the implementation of the Trenton 250 Plan. With the newly designated Small Business Unit being established late in 2018 at EDA, staff will be able to work closely with the small businesses of Trenton. EDA staff will also work closely with TDA, Greater Trenton, and the City to help attract new businesses and help grow the existing businesses that are in Trenton. The EDA and the City will continue their outreach efforts to push the GSGZ BLI and BII program to businesses in the expanded eligible area in hopes of helping more businesses.

CCRC BOARD MEMBERS

EX OFFICIO MEMBERS (4):

Elizabeth Maher Muoio, State Treasurer

Diane Gutierrez-Scaccetti, Commissioner, NJ Department of Transportation

Lt. Governor, Sheila Oliver, Commissioner, NJ Department of Community Affairs

The Honorable Reed Gusciora, Mayor, City of Trenton

PUBLIC MEMBERS (7):

The Honorable Peter A. Inverso, Chair

Christopher Brashier, Managing Director, CHB Investment Group, LLC

Robert D. Prunetti, President, Phoenix Ventures

The Honorable Manuel Segura, former Councilman, City of Trenton

Three (3) Open Seats

CAPITAL CITY REDEVELOPMENT CORPORATION
FY19 FINANCIAL STATEMENT, as of October 10, 2018
(Prepared by Treasury Administration)

ACCOUNT AND DESCRIPTION	FY18 COSTS	FY19 BUDGET	FY19 YTD EXPENDED	FY19 PROJECTED REMAINING EXPENSES
Account 12-Salaries				
Salaries	0	0	0	0
Fringes	0	0	0	0
Sub-Total	0	0	0	0
Account 21-Printing and Office				
Copier Rental and Supplies	0	0	0	0
Sub-Total	0	0	0	0
Account 33-Insurance				
Property & Casualty - Hartford Insurance Co		0	0	0
Officers & Directors - ACE Insurance Co	10,062	5,200		5,200
Sub-Total	10,062	5,200	0	5,200
Account 36-Professional Services				
Auditing Services	7,510	6,000		6,000
Sub-Total	7,510	6,000	0	6,000
Account 38-Other Services				
Other	0	1,000	0	1,000
Sub-Total	0	1,000	0	1,000
TOTAL	17,572	12,200	0	12,200

Resources:

Balance in the State account	101,792
Balance in CCRC Bank Account	78,012
Total Resources	179,803

CAPITAL CITY REDEVELOPMENT CORPORATION
FY19 FINANCIAL STATEMENT, as of February 13, 2019
(Prepared by Treasury Administration)

ACCOUNT AND DESCRIPTION	FY18 COSTS	FY19 BUDGET	FY19 YTD EXPENDED	FY19 PROJECTED REMAINING EXPENSES
Account 12-Salaries				
Salaries	0	0	0	0
Fringes	0	0	0	0
Sub-Total	0	0	0	0
Account 21-Printing and Office				
Copier Rental and Supplies	0	0	0	0
Sub-Total	0	0	0	0
Account 33-Insurance				
Property & Casualty - Hartford Insurance Co		0	0	0
Officers & Directors - ACE Insurance Co	10,062	5,200		5,200
Sub-Total	10,062	5,200	0	5,200
Account 36-Professional Services				
Auditing Services	7,510	6,000		6,000
Sub-Total	7,510	6,000	0	6,000
Account 38-Other Services				
Other	0	1,000	0	1,000
Sub-Total	0	1,000	0	1,000
TOTAL	17,572	12,200	0	12,200

<u>Resources:</u>	
Balance in the State account	101,792
Balance in CCRC Bank Account	78,401
Total Resources	180,193

CAPITAL CITY REDEVELOPMENT CORPORATION
FINANCIAL REPORT
JUNE 30, 2017
WITH INDEPENDENT AUDITORS' REPORT

CAPITAL CITY REDEVELOPMENT CORPORATION
FOR THE YEAR ENDED JUNE 30, 2017

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS:	
Statement of Financial Position	3
Statement of Activities and Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6-7
SUPPLEMENTARY INFORMATION TO FINANCIAL STATEMENTS:	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	8-9

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Capital City Redevelopment Corporation
Trenton, New Jersey 08608

Report on the Financial Statements

We have audited the accompanying financial statements of Capital City Redevelopment Corporation, which comprise the statement of financial position as of June 30, 2017 and the related statement of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

DEVITO & Co., LLC
CERTIFIED PUBLIC ACCOUNTANTS

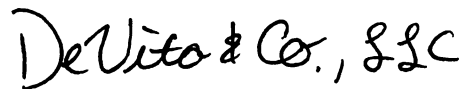
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financials referred to above present fairly, in all material respects, the financial position of Capital City Redevelopment Corporation as of June 30, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 13, 2018 on our consideration of the Capital City Redevelopment Corporation internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreement and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting, compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Capital City Redevelopment Corporation's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "DeVito & Co., LLC". The signature is written in a cursive, flowing style.

DEVITO & Co., LLC

Florham Park, NJ
December 13, 2018

CAPITAL CITY REDEVELOPMENT CORPORATION

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED JUNE 30, 2017

ASSETS

CASH AND CASH EQUIVALENTS

Cash

77,594

New Jersey General Fund

119,364

TOTAL ASSETS

196,958

LIABILITIES AND NET ASSETS

LIABILITIES:

Accounts Payable

-

TOTAL LIABILITIES

-

UNRESTRICTED NET ASSETS

196,958

TOTAL LIABILITIES AND NET ASSETS

196,958

See notes to the financial statements

CAPITAL CITY REDEVELOPMENT CORPORATION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2017

UNRESTRICTED NET ASSETS

REVENUE AND SUPPORT

Interest Income	8
-----------------	---

EXPENSES

Insurance	7,222	
Professsional Services	2,450	
	<hr/>	
TOTAL EXPENSES		<u>9,672</u>

DECREASE IN UNRESTRICTED NET ASSETS	(9,664)
--------------------------------------------	----------------

NET ASSETS - Beginning	<u>206,622</u>
-------------------------------	-----------------------

NET ASSETS - Ending	<u><u>196,958</u></u>
----------------------------	------------------------------

See notes to the financial statements

CAPITAL CITY REDEVELOPMENT CORPORATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2017

CASH FLOWS FROM OPERATIONS

Interest Received	8	
Cash paid for Operating Expenses	<u>(9,672)</u>	
Net Cash (Used) by Operations		(9,664)

	<u>206,622</u>
CASH AND EQUIVALENTS - Beginning	
	<u>196,958</u>
CASH AND EQUIVALENTS - Ending	

See notes to the financial statements

CAPITAL CITY REDEVELOPMENT CORPORATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities:

The Capital City Redevelopment Corporation (the "CCRC") was created in 1988 pursuant to the New Jersey State Legislature 52:9A-9 et seq (the "CCRC Act"). The CCRC is an independent authority of the State. Its mission is to ensure the capital district is a great place to live, work and conduct business by assisting with the planning, coordination and promotion of public and private development within the capital district, which consists of those portions of the City of Trenton that serve as the commercial center of the community and in which public buildings and historic sites are located.

Basis of Accounting:

The financial statements of the CCRC have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America applicable to governmental proprietary-type funds. Revenues are recognized when earned and expenses are recognized when incurred.

Use of Estimates:

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclose of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated amounts.

Cash and Cash Equivalents:

Management considers all money market accounts and highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

The New Jersey General Fund is a pooled investment fund and the balance is appropriated by the State of New Jersey. As such, deposits in the New Jersey General Fund are not subject to credit risk or custodial credit risk.

CAPITAL CITY REDEVELOPMENT CORPORATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Income Taxes:

As a New Jersey State Agency, the CCRC is exempt from both federal and state taxes under existing statutes.

Subsequent Events:

Management has evaluated subsequent events through December 13, 2018, the date the financial statements were available to be issued.

NOTE 2 – OTHER MATTERS

In July 2014, the CCRC entered into a Memorandum of Understanding with the New Jersey Economic Development Authority (EDA) to assist the CCRC in fulfilling its mission pursuant to the CCRC Act, by providing office staff and support services to the CCRC, including, but not limited to: assisting in the carrying out of the policies and directions of the CCRC, providing administrative and support services regarding corporate governance and public information support services for board meetings, act as a liaison with the Governor's office and Authorities Unit, records custodian and assistance with the Open Public Records Act requests and guidance on ethics matters, media outreach and legislative support.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Trustees of
Capital City Redevelopment Corporation
Trenton, NJ 08608

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Capital City Redevelopment Corporation, which comprise the statement of financial position as of June 30, 2017, and the related statements of activities and net assets and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 13, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Capital City Redevelopment Corporation internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Capital City Redevelopment Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of Capital City Redevelopment Corporation internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

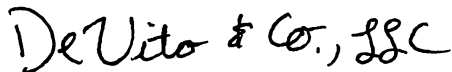
DEVITO & Co., LLC
CERTIFIED PUBLIC ACCOUNTANTS

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Capital City Redevelopment Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "DeVito & Co., LLC". The signature is written in a cursive, flowing style.

DEVITO & Co., LLC

Florham Park, NJ 07932
December 13, 2018